

Boyne River Irrigators Shed Meeting

1 March 2017

A Shed Meeting for SunWater customers on the Boyne River was held in Mundubbera on Wednesday 1 March 2017. Attendees included:

John Kelly, SunWater	Ashley McDonald, SunWater	Megan Allen
Rob Lewis, SunWater	Andrew and Ruth Vicary	Ken and Cindy Darrow
Gordon Delaney, SunWater		

The purpose of the meeting was to:

1. Provide information regarding the stopping of medium priority releases from Boondooma Dam on 24 February and continuing waterhole/ bed sands access.
2. To discuss the offer of high priority (HP) water from Stanwell Corporation and the delivery of the water (including loss provisions) to customers who may be interested in purchasing Stanwell Corporation water.
3. To provide very high level information on potential infrastructure development.

Everyone was thanked for coming and giving their valuable time out of a busy day. The harsh and dry conditions that have seen the storage drawn down to the MP cut off and more importantly the potential difficulties and uncertainties faced by customers were acknowledged.

Some discussion was held around the logistical constraints of getting medium priority water down to the lower end of the Boyne over the last several weeks. SunWater will review whether any lessons can be learned for future releases and will table this for discussion and consultation at the next Irrigator Advisory Council meeting.

SunWater advised customers that Stanwell Corporation have made an offer of up to 3,270ML of high priority (HP) water to be available for irrigation customers for transfer up to 30 June 2017. SunWater advised customers that the cost of the water is at rates set by Stanwell Corporation, that SunWater is unaware of the purchase price set by Stanwell and that any transaction made is an issue between the respective parties but not SunWater. Customers were advised to ring water broker WaterFind to understand the commercial arrangements to determine if they would like to purchase any of the water. There will be no adjustment fees in relation to any transactions made.

Customers asked why SunWater couldn't take control of this HP water and release it to customers. SunWater advised that the water allocation is owned by Stanwell Corporation and that SunWater does not have any rights to take control of another entity's water entitlement.

SunWater advised that should customers find themselves in financial hardship moving forward, to contact SunWater to talk through options that may be available regarding Part A and Part B water charges for medium priority.

Customers questioned how the water would physically be delivered if anyone elected to purchase some of the HP water. They felt there would be difficulties in delivering any HP water to customers and how would you prevent other customers from taking the water. If customers who hadn't purchased any HP water were drawing down their waterholes (under continuing medium priority access) then this would prevent any of the HP water reaching the customers who had purchased it.

SunWater advised that a rostering system would need to be implemented and that ALL Boyne River irrigation customers would need to work together to best ensure fair and efficient delivery of any HP water (further details on rostering are mentioned below in the Interim Program).

SunWater advised customers that any HP water purchased and released downstream from the dam would need to include river losses and that these losses would be at least 50% or more depending on how wet the river was.

Customers noted that they had not had much time to consider the Stanwell Corporation offer and that they were being requested to confirm their interest in HP water in very short timeframes. SunWater advised the urgency around finalising the delivery of HP water was primarily to try and release any HP water as soon as possible while the river is still full and running, to reduce losses. Delays in finalising the delivery of HP water will increase losses substantially as waterholes are drawn down in the coming weeks and months. However, the release of HP water could occur at any point up to 30 June 2017 (noting the comments about increasing river losses as time elapses).

SunWater advised customers that it had received approval from the regulator (Department of Natural Resources and Mines) for an **Interim Program** under the SunWater Resource Operations Licence. A copy of the Interim Program was provided to attendees and can be downloaded from SunWater's website:

<http://www.sunwater.com.au/schemes/boyne-river-tarong/scheme-information/rules-and-targets>

The purpose of this Interim Program is predominantly to allow HP water to be released to customers on the river. SunWater advised customers of the following key points in the interim program:

1. The ROL holder (SunWater) may release high priority water (up to a maximum volume of 3,270 ML) to the Boyne River downstream of Boondooma Dam upon the instruction of the holder of the high priority water allocation (Stanwell), as bulk releases to minimise river losses.

2. Any high priority water released from Boondooma Dam to the Boyne River will be accounted for at the dam outlet works.
3. In the event of such high priority water bulk releases, the ROL holder (SunWater) must prepare and implement rostering arrangements for, and in consultation with, downstream Boyne River water allocation holders.
4. Recognising the separate nature of the high priority water releases from other medium priority take arrangements (such as bedsands access), the downstream water allocation holders must provide the ROL holder (SunWater) with meter readings at the commencement and cessation of all take. The meter readings must be provided within one business day of the water being taken.

Customers noted that the only practical way to make the proposal work would be if irrigators purchased water as a consortium.

SunWater provided customers with a graph depicting the historical storage levels of Boondooma Dam from July 2001 to present. It was noted that there may only be approximately 18 months of HP water remaining in the storage (based upon average use by the HP customers over the last 3 years).

SunWater provided some preliminary information on enhancing the capacity of existing infrastructure and indicative water pricing estimates; as had been SunWater's commitment from the customers' meeting with Minister Baileys Senior Staff. This information is being collated and written up and will be supplied to the Boyne Irrigators. Water prices resulting from any infrastructure development such as dam or weir raising will provide significantly large increases in water costs compared to those already being paid. Development of the infrastructure would need to be assessed against commercial principles. Commitments for water allocation would be required in the same way commitments are being formally sought now for Rookwood Weir.

Customers advised that if the offer of HP water from Stanwell Corporation was not taken up it should not be construed as the irrigators not being desperate for water but rather it would mean that the proposal was not workable for cost and operational (delivery) reasons. SunWater acknowledged this position.

Meeting Closed at 2:30pm.

Meeting Outcomes:

1. SunWater to perform an internal review of the release just completed with a view to identifying better performance around timely, fair and equitable distribution of water that looks to minimise losses. SunWater to consult with the IAC with a view to agreeing on ways to make improvement as a result of the review. Provide recommendations for discussion to IAC by end of March 2017.
2. Provision of an addition gauging to help with release management is to be investigated. Report back to IAC after review and internal consultation for R&E program – Report back by June 2017.
3. SunWater to provide to customers a high level prefeasibility option analysis for possible longer term water infrastructure by 9 March 2017.